LINEN FLAX.

The past year has been one of rapid and extensive development. When last year's report was submitted ten factories had been erected and were about to commence operations. In response to a further request by the British Ministry of Supply extended sowings were undertaken in 1941–42, and six additional factories were erected. Simultaneously, the existing factories were extended by the inclusion of retting-tanks. Despite serious difficulties, the year's work resulted in the export of approximately 1,000 tons of fibre to Great Britain and the sale overseas of nearly 3,000 tons of seed.

The following table illustrates the expansion which has taken place in the industry since 1940-41:-

				1940-41.	1941-42.
Factories erected				 11	17
Retting-tanks				 23	99
Acreage sown				 13,123	21,190

Other buildings erected were—straw-stores, 21; office stores, 16; lunch-rooms, 16; deseeder sheds, 16; managers' houses, 15; foremen's houses, 22; staff cottages, 23; married accommodations, 89; single accommodations, 228; ablution blocks, 13; subsidiary buildings, 143.

Further accommodation is contemplated, much of which will be necessary in view of the

employment of women workers.

The 1940-41 Season.—The results of the processing of the 1940-41 crop to the 31st January, 1942, reveal that, out of a total quantity of 17,584 tons harvested, 11,484 tons had been processed for 921 tons of linen-flax fibre.

The season in North Canterbury was unusually dry and crops were short. The result was that a large proportion of crops in the Oxford and Leeston districts had to be harvested for seed.

The 1941-42 Season.—The crop has now been harvested and processing has commenced. Once again dry spring conditions resulted in short crops in North Canterbury, and extended to Seddon and Blenheim. In Southland severe hailstorms caused much damage, more particularly in the Woodland

The final crop inspection results are not yet available from all the southern areas, but on the data available to date 80 per cent. of the acreage of flax grown has been accepted for fibre, against 67 per cent. in the 1940-41 season, despite serious reverses in the Woodlands, Leeston, and Oxford districts. The acceptance of inferior crops for tow and Reiss is a new departure, and if included as acceptances the percentage is raised to 85 per cent.

Plans are now under way for the 1942-43 season's crop, the objective being an acreage of 22,250.

MOTION-PICTURE INDUSTRY.

A number of applications for licenses to operate motion-picture theatres were received by the Department during the year, the usual inquiries being conducted and reports furnished to Mr. W. F. Stillwell, S.M. Owing to the shortage of materials for construction of buildings and to difficulties in securing cinematograph-equipment, no new theatres have been opened.

STANDARDS INSTITUTE.

The activities of this section of the Department are covered in a separate report, parliamentary paper H.-44A.

LIBRARY AND PUBLICATIONS.

During the year, in collaboration with the Consul for the United States of America, an exchange of publications was arranged between the Department and the United States Department of Commerce and several American banking corporations. In view of the lease-lend activities between the United States and New Zealand the action of the United States Consulate in donating to the library directories of American manufacturers proved most helpful. Thanks are also due to the Australian and Canadian Trade Commissioners for trade directories relative to their respective countries.

Full use continues to be made of the interloan and exchange system instituted by the New Zealand Libraries Association, and during the year valuable co-operation was received from and given to other libraries. Close liaison has also been maintained with other State Departments to facilitate the compilation and dissemination of information.

DIRECTORY OF NEW ZEALAND MANUFACTURERS.

During the year a supplement to the Directory of New Zealand Manufacturers was issued covering returns of all factories registered up to the 31st May, 1941.

Approximate Cost of Paper.—Preparation, not given; printing (778 copies), £15.